

News monitored for: Pepsi - Brands

Business Line

TIE-UP ROUTE

PepsiCo sees fizz in marketing brands of other firms

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Food and beverages multinational PepsiCo is exploring options to push for more tie ups to market brands of other firms in India, similar to its joint ventures with the Tatas and Unilever.

PepsiCo is also adding more bottling plants to its existing 32 as sales gather pace. The company will add two more of them in the country this fiscal at an investment of about Rs 1,000 crore.

Mr Praveen Someshwar, Chief Executive Officer, Beverages, Pepsi Foods Pvt Ltd, told *Business Line* that the two plants, one each in North and the South, would manufacture the company's entire



Mr Praveen Someshwar,
CEO, Beverages

beverages range including carbonated soft-drinks and juices.

He said Pepsi in India has also started marketing beverage and water brands outside its product portfolio. The Tata Pepsi joint

venture signed last year markets the Himalayan brand of packaged water and Lehar Gluco Plus. In June, Pepsi revived its joint venture with Unilever for marketing 'Lipton Ice Tea' in India. "We see more opportunities in such collaborative ventures and would like to explore these options further," Mr Someshwar said.

He pointed out that every Indian consumes two litres of liquid everyday and this is an opportunity for a beverages company like Pepsi. "There's so much headroom for growth, in fact, we are restricted by our constraints."

HUGE POTENTIAL

He said there was potential for Pepsi in the buttermilk, milk and the

Indian flavoured drinks category, citing the success of Nimbooz, the lemon-flavoured drink that the company launched two years ago. "Sooner than later, we may take Nimbooz to other countries as well," he said.

Mr Someshwar said Pepsi has grown two times faster than its closest competitor in the last two quarters. Attributing the growth to the company's strong engagement initiatives during the ICC World Cup, increasing presence in the rural markets and the company's infrastructure investments, he said that India and China were "huge opportunities and it does not matter whether we are No 1 or No 2. We are only restrained by our own capability."